

REMARKS

The present amendment is responsive to the Office Action dated February 6, 2004,

Claims 1, 12 and 24 were rejected as being unpatentable under 35 USC §101 as being directed to allegedly non-statutory subject matter. Reconsideration and withdrawal of these rejections are respectfully submitted.

The applicant has amended claims 1 and 24 to include a computer network. It is believed, however, that the claims (with or without the added "computer network" recitation) recite subject matter that is fully within the purview of §101.

Relative to the cited AT&T Federal Circuit decision and 35 U.S.C. §101, the Examiner's attention is respectfully drawn to the USPTO's own training materials with respect to §101, which may be found at: www.uspto.gov/web/menu/pbmethod/trangmaterials.ppt, which materials were presented by, among other, the Examiner's own supervisor; namely, James Trammel:

AT&T Corp. v. Excel
Communications, Inc.

The Invention:

The patent claims a process that uses Boolean algebra to derive a value that is used to generate a message record (PIC) of long distance telephone calls between subscribers and their call recipients, that value being used to create a signal useful for billing credit purposes when the caller and the call recipient both subscribe to the same long distance carrier.

AT&T - The Bottom Line

The Court held that the claims constituted patentable subject matter under 35 U.S.C. 101 even though the billing value was derived using a simple Boolean mathematical principle. The Court noted that the patent does not claim the Boolean principle nor try to preclude its use in any other application, and that the "process applies the Boolean principle to produce a useful, concrete, tangible result without preempting other uses of mathematical principle." See AT&T Corp. V. Excel Comm. Inc. 50 USPQ2d 1447, 1352 (Fed. Cir. 1999). The useful result is lower long distance bills when calling people who use the same long distance service provider.

As in AT&T, the instant claims do not seek to preclude others from using a mathematical operation in other applications. Indeed, the claims do not recite any mathematical equation or relationship. The claims define a method for a financial services provider to securely process corporate payment requests by requiring that each of the collected pending payment requests be validated by an authenticated primary or secondary certificate holder having the authority to validate the payment requests and clearing only validated corporate payment requests of the pending payment statement against the corporate account. Surely a method to securely process and clear payment requests against the corporate account through the use of certificates as claimed is not an abstract idea, devoid of usefulness or one that is a simple manipulation of an abstract idea.

Conveniently, these training materials set out the Office's own requirements for usefulness, concreteness and tangibility:

"Useful"

The Supreme Court in *Diamond v. Diehr* requires that the examiner look at the claimed invention as a whole and compare any asserted utility with the claimed invention to determine whether the asserted utility is accomplished. Applying utility case law the examiner will note that:

- (a) the utility need not be expressly recited in the claims, rather it may be inferred;
- (b) if the utility is not asserted in the written description, then it must be well established;
- (c) a specific, substantial and credible utility must be accomplished.

It is respectfully submitted that a method of processing and validating payment requests is useful, in that a specific, substantial and credible utility is indeed accomplished. Payment requests, according to these claimed embodiments, are either cleared (e.g., paid) against the corporate account or they are not. It is respectfully submitted that corporations find that

processing payment requests according to the claimed embodiments has a demonstrably specific, substantial and credible utility – that is, to insure that only those payment requests that should be paid are, indeed, paid.

“Concrete”

Another consideration is whether the invention produces a “concrete” result. Usually, this question arises when a result cannot be assured. An appropriate rejection under 35 U.S.C. 101 should be accompanied by a lack of enablement (35 U.S.C. 112 first paragraph) rejection, because the invention cannot operate as intended without undue experimentation.

The claimed inventions clearly set out the result of the method: payment requests are either cleared against the corporate account or they are not. Thus, according to the Office’s own standards, the claimed invention produces a “concrete” result. Moreover, had a lack of concreteness been asserted, the Office should have issued a lack of enablement rejection. Here, no lack of enablement rejection was made. The claimed inventions, therefore, produce a concrete result - and this concrete result is claimed (“clearing only validated corporate payment requests of the pending payment statement against the corporate account.”).

“Tangible”

Applying *In re Wamerdam*, 33 F.3d 1354; 31 USPQ2d 1754 (Fed. Cir. 1994), the examiner will determine whether there is simply a mathematical construct claimed, such as a disembodied data structure and method of making it. If so, the claim involves no more than a manipulation of an abstract idea and therefore, is nonstatutory under 35 U.S.C. 101. In contrast, a claimed computer-readable medium encoded with a data structure defines structural and functional interrelationships between the data structure and the computer software and hardware components which permits the data structure’s functionality to be realized, and is statutory.

It is respectfully submitted that no mathematical construct is claimed, and that no disembodied data structure is claimed herein. What are claimed, on the other hand, are specific steps to be carried out to produce the tangible result of clearing payment requests against the corporate account. It is a result that is as tangible as money being deducted from the Examiner’s

own personal checking account. Moreover, Exr. Trammel specifically expressly lists computer-readable media (see claim 24) as being statutory subject matter under §101.

Reconsideration and withdrawal of the 35 USC §101 are, therefore, respectfully requested.

Claims 1, 4, 7, 8, 12, 15, 19, 24, 27, 30 and 31 were rejected as being anticipated by Anuszewski et al. Reconsideration and withdrawal of these rejections are respectfully requested, for the following reasons.

Claims 1, 12 and 24 recite the steps of:

issuing a primary digital certificate to a primary certificate holder of a corporation, the primary certificate being configured to authorize ~~authorizing~~ the primary certificate holder to designate a plurality of holders of secondary digital certificates that are derivative from the primary certificate, each of the primary and plurality of secondary certificates including at least one of unique identifying information and an indication of authority of the holder of the certificate, an authority defined in each of the secondary digital certificates being comparatively more limited than an authority defined in the primary digital certificate;

collecting, over the computer network, pending corporate payment requests for clearing against an account of the corporation;

periodically generating a pending payment statement that includes the collected pending payment requests;

requiring that each of the collected pending payment requests be validated by an authenticated primary or secondary certificate holder having the authority to validate the payment requests;

clearing only validated corporate payment requests of the pending payment statement against the corporate account.

The Examiner points to the use of certificates in Anuszewski at page 16, lines 5-10. However, kindly note that Anuszewski teaches that the buyer may provide others with the same digital certificate of the buyer and that the seller may provide others with the same digital certificate as the seller.

In contrast, the claimed embodiments specify that the financial services providers issues a primary digital certificate that authorizes the primary certificate holder to designate holders of secondary digital certificates that are derivative from the primary digital certificate and that the

authority defined in the secondary digital certificate is comparatively more limited than the authority defined in the primary digital certificate, as claimed. As Anuszewski et al. call for the buyer to issue the same digital certificates to its employees (and same for the seller), Anuszewski cannot be said to teach the claimed embodiments and the 35 USC §102(a) rejections must be reconsidered and withdrawn.

Next, the Examiner asserts that the applied reference teaches, at page 17, lines 15-22 and 28-31, a step of periodically generating a pending payment statement that includes the pending payment requests. However, this passage and the remainder of Anuszewski is quite clear in this regard: "In step 450, the buyer 110 and the seller 120 may each receive a report listing the consummated transaction as completed." The report, in Anuszewski, therefore, is a report of completed transactions – in other words, transactions in which the seller has already been paid. Completed transactions are no longer pending transactions. In the claimed embodiment, however, the statement is a pending payment statement that includes the collected pending payment requests. (Emphasis Added) Anuszewski, therefore, does not teach the claimed embodiments. Pending payment requests are different from consummated, completed transactions. The distinction is not trivial, as it is these pending payment requests (not completed payments) that must be validated by an authenticated certificate holder before the pending payment request may be cleared against the corporate account. Anuszewski teaches no such methods, systems or media. With regard to page 17, lines 28-31, Anuszewski in this passage teaches only that employees may inquire about the status of pending financial transactions, and does not teach that the employees must validate payment requests listed in a pending payment statement, as required by the claims.

As the pending independent claims define embodiments of the present invention that are not found in the applied reference, reconsideration and withdrawal of the anticipatory rejections applied thereto are, therefore, respectfully requested.

The claims dependent upon independent claims 1, 12 and 24 include, by reference, all of the limitations and patentable features of their respective independent claims, and the rejections thereof need not be further discussed at this time.

It is believed, therefore, that the present amendment overcomes the outstanding rejections and places this application in condition for allowance. Applicant respectfully requests that a timely Notice of Allowance be issued in this case. Should the Examiner have any further questions regarding this amendment or the application in general, he need only call the undersigned, and whatever is needed will be done at once.

Respectfully submitted,

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